

104TH CONGRESS
2D SESSION

H. R. 2861

To amend the Internal Revenue Code of 1986 to exclude long-term capital gains from gross income.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 5, 1996

Mr. DREIER (for himself, Mr. TAUZIN, and Mr. ZIMMER) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to exclude long-term capital gains from gross income.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Private Sector Job
5 Creation and Economic Growth Act”.

6 **SEC. 2. EXCLUSION FROM GROSS INCOME FOR LONG-TERM**
7 **CAPITAL GAINS.**

8 (a) IN GENERAL.—Part III of subchapter B of chap-
9 ter 1 of the Internal Revenue Code of 1986 (relating to
10 items specifically excluded from gross income) is amended

1 by redesignating section 137 as section 138 and by insert-
2 ing after section 136 the following new section:

3 **“SEC. 137. 100 PERCENT EXCLUSION FOR LONG-TERM CAP-**
4 **ITAL GAIN.**

5 “Gross income shall not include 100 percent of any
6 long-term capital gain recognized on the sale or exchange
7 of any property.”

8 (b) CLERICAL AMENDMENT.—The table of sections
9 for such part III is amended by striking the last item and
10 inserting the following new items:

“Sec. 137. 100 percent exclusion for long-term capital gain.

“Sec. 138. Cross references to other Acts.”

11 (c) EFFECTIVE DATE.—The amendments made by
12 this section shall apply to sales and exchanges occurring
13 after December 31, 1994, in taxable years ending after
14 such date.

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